



THE CITY OF SAN DIEGO

May 20, 1999

Honorable Wayne L. Peterson
Presiding Judge of the Superior Court
State of California
220 West Broadway
San Diego, CA 92101

Dear Judge Peterson:

SUBJECT: Grand Jury Report: "Water for the City of San Diego"

Pursuant to the abovementioned report, dated March 25, 1999, enclosed is the City of San Diego's formal, required response to the findings and recommendations.

If additional information is needed, please contact me and I will see that it is provided as quickly as possible.

Sincerely,

MICHAEL T. UBERUAGA
City Manager

PZG;jh

Enclosure

cc: Mayor and City Council
Ted Bromfield
George Loveland
Frank Exarhos
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Paul Gagliardo

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CITY OF SAN DIEGO RESPONSE TO GRAND JURY REPORT

"WATER FOR THE CITY OF SAN DIEGO"

Dated March 25, 1999

Pursuant to Penal Code Section 933.05, the City of San Diego provides the following responses to the above entitled Grand Jury Report.

RESPONSE TO FINDINGS

1. The vast majority of scientists, technical experts and water regulators believe that the City's proposed water repurification project poses no threat to public health.
2. The articulated "scientific" objections to the water repurification proposal focus on the potential for harm from unknown and unregulated substances. No public health problems have been shown to exist in situations where reclaimed water has been used to supplement drinking water supplies, either through surface water augmentation or groundwater recharge.
3. Epidemiological studies cannot prove existence of a health threat to the public from this project. Epidemiological studies develop risk assessments based on exposure. It would be almost impossible to design a study that would isolate exposure to repurified water and determine effects, if any, from this exposure.
4. The cost of repurified water is based on capital, operation and maintenance costs, less the incentives and grants provided by other agencies. The largest potential cost increase over time would be due to increases in electricity costs. This is mitigated by the fact that the City has contracted for cogeneration power at the site. Therefore, the cost of repurified water is unlikely to rise significantly in the future.
5. The San Diego County Water Authority, in the 1997 Water Resources Plan, estimates annual untreated water cost increases at between 1.5% - 4.1% between 1999 and 2015. A maximum annual increase is estimated to be between 4.9% and 6.4%.
6. The cost of repurified water is roughly equivalent to the projected cost of imported raw water in 2004.
7. A. The City would be exposed to the repayment of \$76 million in federal grant money if the North City Water Reclamation Plant beneficial reuse goals are not met.

- B. Any unused reclaimed water produced at North City must be delivered to the Point Loma Wastewater Treatment Plant for treatment and disposal. This cost is estimated at \$163/acre foot, which includes pumping, treating and ocean discharge.
 - C. In order to attempt to meet the North City Water Reclamation Plant grant conditions something must be done in lieu of the water repurification project. One option is to extend the existing reclaimed water distribution system. This cost is estimated at \$92 million with a projected additional reuse of 5,900 AFY.
- 8. Water is a scarce commodity in San Diego. We import 90 percent of our water annually.
 - 9. Imported water supplies are subject to more constraints and uncertainties (e.g., drought, maximum water rights allocation, potential seismic disruption of pipelines, etc.) than locally developed water resources.
 - 10. Due to the fact that 90 percent of San Diego's water supply is imported, we are reliant on Federal, State and regional entities to make decisions about water resources. Increasing locally developed water resources increases control and reliability.
 - 11. Long-term strategic planning is absolutely necessary in order to ensure an adequate water supply for the future of San Diego.
 - 12. Water produced at a repurification facility is a very reliable source.

RESPONSE TO RECOMMENDATIONS

- 99-13 The City is working closely with the San Diego County Water Authority (CWA), State and Federal agencies and legislators to increase Southern California's water supply. Most notably this is seen in the City's support for the CWA/IID water transfer agreement. The City does not support the Metropolitan Water District of Southern California's (Metropolitan) proposal to reallocate Colorado River water from rural, agricultural areas to urban areas. The City is working closely with CALFED, CWA and Metropolitan to ensure that the CALFED process provides Southern California with enhanced water reliability and quality at affordable rates.
- 99-14 The City of San Diego Natural Resources and Culture (NR&C) Committee considered the water repurification project on March 31, 1999 and directed staff to discontinue work on the project. NR&C directed staff to investigate options to water repurification in a Reclaimed Water Beneficial Reuse Study.

City Council, on January 19, 1999, during a rate case hearing, resolved to direct the City Manager to spend no more money on water repurification. On May 17, 1999 the full City Council resolved to cancel the water repurification Capital Improvement Project. The Council also created a new Capital Improvement Project that will prepare a study to develop options to the repurification project.

- 99-15 The City of San Diego has completed all the required studies to gain California Department of Health Services (DHS) approval, and to be able to prepare a defensible EIR/EIS.
- 99-16 At the March 31, 1999 NR&C meeting staff was directed to develop options for meeting the North City Water Reclamation Plant grant reuse goals by performing a Reclaimed Water Beneficial Reuse Study.
- 99-17
 - A. The City Council has funded a significant number of site retrofits to allow the use of reclaimed water. Council will decide on expanding/continuing this program in future water budget proposals.
 - B. San Diego Municipal Code section 64.0807 contemplates enforcement on a case-by-case analysis basis of where reclaimed water is suitable and available. This will continue to be done.
- 99-18 The City of San Diego pursues many varied water conservation programs. Some of the specific items listed in this recommendation have not been formally analyzed, but should be.
- 99-19 The Land Use and Housing (LU&H) Committee of the City Council, on March 10, 1999, directed the City Manager to prepare a report on greywater, and bring this issue to committee for review.
- 99-20 The City has not formally looked into this issue, but it might have some merit, and warrants analysis.
- 99-21 The City of San Diego, Metropolitan Wastewater Department, manages the Aqua2000 Research Center. Aqua2000 is world renowned for its membrane research on wastewater. It would be appropriate for Aqua2000 to analyze seawater desalting options using membrane systems.
- 99-22 The City of San Diego has an ongoing research effort in order to determine what are the appropriate ways to ensure an adequate water supply for future generations.